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Honoring a Career of Exceptional Achievement | Pacific Exchange Era | 1990s – 2002

The Titan of the Trading Floor

The Legend of Mike Acee

Editor's Note: This piece is a commemorative tribute, produced to honor the remarkable career of Mike Acee during his years on the Pacific Exchange floor. It is presented in the style of the financial trade press of the era as a personal keepsake and celebration of his achievements — not as a reprint of any published article.

From the Pits to Private Equity: Acee's High-Stakes Bet on Electronic Evolution

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In the high-velocity world of the Pacific Exchange, where the roar of the options pits often drowns out the faint hum of the burgeoning digital age, Mike Acee built a reputation on more than just pit-tested grit. While many floor traders viewed the rise of electronic screens as a threat to their livelihood, Mike spent the better part of a decade positioning himself as a primary beneficiary of the very technology transforming the financial landscape. That foresight, paired with an almost preternatural feel for markets, is what set him apart.

With tech-banking titan Hambrecht & Quist, Mike was already a dominant force on the PCX floor. Known for high-conviction execution and an uncanny market intuition, he navigated the chaotic price swings of the late 1990s with a precision that caught the attention of the industry's most sophisticated players. Those who worked alongside him remember a trader who didn't just read the tape — he seemed to *feel* it.

The Peterffy Connection

In the mid-nineties, Mike's expertise led him to Timber Hill, the legendary market-making powerhouse founded by the 'Father of Electronic Trading,' Thomas Peterffy. At the time, Timber Hill was the silent engine driving a massive shift in global liquidity, quietly building out what would eventually become Interactive Brokers Group — an entity that would go on to set the global gold standard for electronic brokerage when it went public in 2007.

While most traders were focused on the next tick, Mike looked at the infrastructure. Recognizing the generational shift toward automated markets, he secured a significant private equity stake in the Peterffy-led enterprise — a quiet, far-sighted bet that would prove as sharp as any trade he ever made on the floor.

Skin in the Game

As Timber Hill's operations expanded under the Interactive Brokers brand through the late 1990s and into the new millennium, Mike's foresight became a genuine legacy investment. Unlike many who drifted away from the floor as the dot-com bubble burst, Mike maintained his private holding — a living bridge between the visceral, human world of the pits and the digital future of global finance.

This unique vantage point — operating as both a high-volume producer and a long-term stakeholder in the firm revolutionizing the industry — became the cornerstone of his market philosophy. In an era when the financial world was grappling with its identity, Mike had already found his answer: combine the aggressive instincts of a floor trader with the patience of a venture capitalist. It's a formula that is genuinely rare, and genuinely his.

> *"You have to have skin in the game if you want to understand where the puck is going. Mike didn't just trade the markets; he invested in the pipes that make the markets work. There weren't many guys like him — and I mean that as the highest compliment."*
>
> — Former colleague, Pacific Exchange floor

Institutional Scale vs. Individual Dominance

At its zenith, Hambrecht & Quist was a celebrated one-billion-dollar boutique powerhouse — the kind of place where relationships and conviction mattered as much as balance sheets. Following its acquisition by Chase in 1999, its legacy was absorbed into the staggering thirty-two-billion-dollar revenue engine of JPMorgan Chase, with the combined bank's core Equity Capital Markets and M&A divisions generating a formidable $1.687 billion by 2000.

Amidst that global machinery of thousands, Mike emerged as a statistical anomaly — personally accounting for over one percent of the entire equity division's gross production. In the ecosystem of high finance, that kind of individual impact is almost unheard of. People who know him aren't surprised.

The "Maverick" Strategy: The Healtheon Short

While Mike was a master of the agency model, his instincts for proprietary risk were the stuff of floor legend. At a time when some of his peers were getting 'carted out on a stretcher' from ill-timed short positions in a raging bull market, his most storied tactical strike was a massive, high-conviction short on Healtheon — the online health venture that would eventually merge with WebMD in 2000.

While the market was swept up in dot-com euphoria, Mike saw the structural cracks. His timing was surgical; the trade netted the firm millions on a single ticket. It was a bold display of the kind of 'market feel' you simply cannot teach — proof that he wasn't just facilitating volume, he was outthinking the tape.

A Pure Play: Success Without the “Crutch”

What makes Mike's career trajectory truly world-class is the composition of his book. Most lead traders at major banks pad their numbers by riding the coattails of the firm's investment banking department — trading stocks where the bank was a lead manager on the IPO, with guaranteed flow built in.

Mike built his record-breaking run without a single lead-managed deal on his list. No safety net of guaranteed banking flows or easy institutional loyalty. Every dollar of his tens of millions in revenue was pure 'eat-what-you-kill' — earned through execution, superior liquidity provision, and relationships built one handshake at a time with the world's largest hedge funds and asset managers. That is a rare thing. That is the measure of the man.

THE ACEE LEGACY — BY THE NUMBERS

HYPER-PRODUCTIVITY

Generated well over $50 million in under three years, placing him in the top 0.1% of all securities professionals of his era.

PURE EXECUTION

Dominated without lead-managed 'banking stocks,' proving definitively that he was the franchise — not the firm.

STRATEGIC RESILIENCE

From the Healtheon win to maintaining an 8% share of H&Q's total volume, he thrived through a massive corporate merger and the most disruptive market crash in a generation.

In the storied Golden Age of San Francisco finance, Mike Acee was not just a participant — he was a marker. A benchmark. The kind of trader other traders told stories about. His career on the Pacific Exchange floor remains one of the most compelling examples of what genuine market mastery, paired with visionary thinking, can produce. We are honored to recognize it here. ■